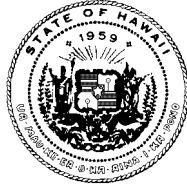


DAVID Y. IGE  
GOVERNOR



PANKAJ BHANOT  
DIRECTOR

CATHY BETTS  
DEPUTY DIRECTOR

STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES  
P. O. Box 339  
Honolulu, Hawaii 96809-0339

February 20, 2019

TO: The Honorable Representative Sylvia Luke, Chair  
House Committee on Finance

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 32 HD 1 - Relating to Family Leave**

Hearing: February 22, 2019, 12:30 p.m.  
Conference Room 308, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports this measure and offers additional comments regarding the ability of employees in Hawaii to access unpaid and paid leave.

**PURPOSE:** The purpose of this bill extends the deadline for the Legislative Reference Bureau to submit the sunrise analysis required by Act 109, Session Laws of Hawaii 2018, from 9/1/2019, to 11/13/2019. The Committee on Labor & Public Employment defected the effective date. (HB 32 HD 1)

DHS recognizes the significant caregiving responsibilities for employees in public and private sectors alike. Recognizing that Hawaii has the highest cost of living, one of the highest costs of housing, and the highest percentage of multi-generational households requires us to improve workplace policies and practices to support Hawaii's family caregiving needs. As a State, we are behind in preparing for the predicted "Gray Tsunami" as Hawaii is experiencing the fastest growing aged 65 plus population in the nation. Caregiving of Hawaii's children and vulnerable adults is most often performed by

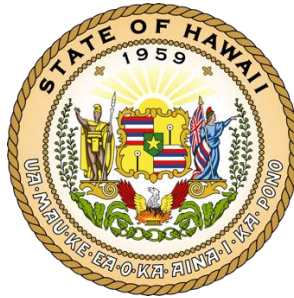
AN EQUAL OPPORTUNITY AGENCY

employable family members who struggle with the decision to provide care or forego income. Most people working in Hawaii cannot take unpaid leave and still maintain financial stability; caregiving situations increase family stressors that impact all family members.

While the federal Family Medical Leave Act (FMLA) allows for *unpaid* leave with job protection for up to 12 weeks for employers with 50 or more employees, Hawaii's Family Leave Law (HFLL) only applies to those with 100 or more employees, and allows for 4 weeks of *unpaid* leave. Currently, employees in Hawaii do not have the right to *paid* medical or family leave.

Completion of the sunrise analysis is the next step toward a more responsive public policy to support Hawaii's working residents, their families, and improve our community's overall well-being.

Thank you for this opportunity to testify in support of this measure.



‘O kēia ‘ōlelo hō’ike no ke  
**Komikina Kūlana Olakino o Nā Wāhine**

Testimony on behalf of the  
**Hawai‘i State Commission on the Status of Women**  
Khara Jabola-Carolus, Executive Director

Prepared for the H. Cmtee. on Finance

Comments on HB32 HD1  
Tuesday, February 22, 2019, at 12:30 a.m. in Room 308

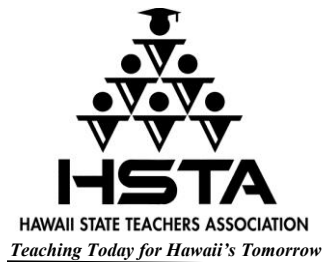
Dear Chair Luke, Vice Chair Cullen, and Honorable Members,

The Hawai‘i State Commission on the Status of Women supports the intent of HB32 HD1, which would extend the deadline for the Legislative Reference Bureau to submit the sunrise analysis required by Act 109, Session Laws of Hawaii 2018, to 11/13/2019.

With only four weeks of unpaid family leave available under state law, paid family leave is critically needed in Hawai‘i. The Commission shares the common goal of a thorough and unbiased analysis but urges the completion of the study by September 1, 2019. Community based organizations, policy advocates, and state agencies need sufficient time to analyze the findings of the sunrise report and to carefully craft legislation in preparation for the 2020 Legislative Session. Deadlines are also no guarantee of completion, as we have seen this year with the Title IX study mandated by Act 110 (HB1489) passed in 2018. It will be important to consider additional unforeseen delays and create a time buffer before the 2020 Legislative Session.

Sincerely,

Khara Jabola-Carolus



1200 Ala Kapuna Street ♦ Honolulu, Hawaii 96819  
Tel: (808) 833-2711 ♦ Fax: (808) 839-7106 ♦ Web: [www.hsta.org](http://www.hsta.org)

Corey Rosenlee  
President  
Osa Tui Jr.  
Vice President  
Logan Okita  
Secretary-Treasurer  
Wilbert Holck  
Executive Director

## TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE

RE: HB 32, HD1 - RELATING TO FAMILY LEAVE

FRIDAY, FEBRUARY 22, 2019

COREY ROSENLEE, PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Luke and Members of the Committee:

The Hawaii State Teachers Association **supports HB 32, HD1** relating to family leave. **Although HSTA wanted this study completed earlier, we agree with the deadline for the completed Paid Family Leave study to be changed to November 13, 2019, thus allowing more research time requested by the Legislative Reference Bureau, but allowing enough time for proper legislation to be drafted prior to the 2020 Legislative Session to support the findings of this study.**

Teachers are fortunate to be covered by a collective bargaining agreement that provides paid sick leave. Over 40 percent of Hawai'i's workforce, however, is not afforded the same benefit. As a result, workers are often required to choose between providing for their families by working while sick or enduring a loss of income to recuperate. Families also must decide whether or not to send sick children to school or stay home and lose a day of pay. For low-income families, this financial bind can mean the difference between providing food or going hungry. When children are forced to attend class while ill, moreover, contagions may spread to other students, and not much learning occurs for the ill child who needs to recover from an illness.

It's a chain reaction. Multiple families may be become infected. Entire classes may see their health and learning suffer. Providing paid sick leave that may be extended only to family members will break the cycle of illness by allowing families to care for themselves, their children, and their kupuna without loss of pay, while not affecting other classmates and their families. We also note that women are disproportionately harmed by the lack of family leave insurance. Inasmuch as women serve as primary caregivers for keiki and kupuna alike, the lack of paid family leave exacerbates the gender wage gap and the cycle of economic discrimination toward the women who comprise 59 percent of Hawai'i's workforce.

To better care for families living paycheck to paycheck, the Hawaii State Teachers Association asks your committee to **support** this bill.



PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

**Board of Directors**

*John McComas, Chair  
Ryan Kusumoto, Vice Chair  
Jeeyun Lee, Treasurer  
Marya Grambs, Secretary  
Katherine Keir  
Terry Walsh  
Darcie Scharfenstein  
Karen Tan  
Colin Moore  
Gavin Thornton  
Trisha Kajimura  
Debbie Shimizu, Ex Officio  
Natalie Okeson, Exec. Dir.*

TO: Representative Sylvia Luke, Chair  
Representative Ty J.K. Cullen, Vice Chair  
Members of the Committee on Finance

FROM: Pedro Haro, PHOCUSED Advocacy Director

SUBJECT: Testimony in Support of HB 32, HD1 RELATING TO FAMILY LEAVE

Hearing: Friday, February 22, 2019  
12:30 PM  
Conference Room 308

Chair Luke, Vice Chair Cullen, Members of the Committee on Finance

Thank you for the opportunity to testify in support of HB32, HD1. I am Pedro Haro, Advocacy Director for PHOCUSED.

PHOCUSED supports HB 32, HD1. The sunrise analysis to understand the impacts of the establishment of a paid family leave program will provide the groundwork necessary to develop a paid family leave framework. This will enable employees to access leave benefits during times when they need to provide care for a family member.

PHOCUSED is a nonprofit, nonpartisan organization dedicated to increasing the safety for, visibility of, and investment in the children and adults in Hawaii who are marginalized, impoverished, and under-served. Our organization has been a leading voice in advocating for families since our formation, as the membership of PHOCUSED and our Board of Directors represent many of the major health and human service providers and peer organizations dedicated to serving the vulnerable populations across our state. As such, PHOCUSED is proud to support HB 32, HD1.

PHOCUSED is a membership and advocacy organization for health and human services in Hawaii, which works together with community stakeholders to collectively impact program and policy change for the most vulnerable in our state. Our commitment to the people is reflected in our name – Protecting Hawaii's 'Ohana, Children, Under-Served, Elderly, and Disabled. We are guided by the shared commitment of our members to protect the interests of Hawaii's people and the sector which seeks to provide them with quality programs and services.



## PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

### **Board of Directors**

*John McComas, Chair*  
*Ryan Kusumoto, Vice Chair*  
*Jeeyun Lee, Treasurer*  
*Marya Grambs, Secretary*  
*Katherine Keir*  
*Terry Walsh*  
*Darcie Scharfenstein*  
*Karen Tan*  
*Colin Moore*  
*Gavin Thornton*  
*Trisha Kajimura*  
*Debbie Shimizu, Ex Officio*  
*Natalie Okeson, Exec. Dir.*

This family leave insurance program would provide much needed support for employees who need to take time off to care for their family. Those who are low-income, in particular, are especially vulnerable to loss of wages or employment at a critical time in their families. This bill would provide paid leave from work to care for a new child or sick family member. The vulnerable populations for which PHOCUSED has worked to improve their well-being, fall into this group that needs this resource. It allows workers to take adequate time off of work to care for their families without facing financial ruin or jeopardizing their career.

Our organization believes it is especially critical to include the progressive wage replacement to ensure that low-income workers are able to access the program. Those who earn less than half of the average weekly wage should receive 90% of their weekly earnings, while middle-income to higher-income workers should receive 75% or 50% of their weekly earnings, with a weekly cap.

Hawaii's vulnerable populations need family leave as a cost-effective way to keep employees in the work force and also take care of their families. Nearly half of families with children in Hawaii cannot afford basic needs. By 2020, about 40% of the workforce will be providing care for older parents. Paid family leave is needed now.

The majority of families in Hawaii are "working families" who cannot afford to take unpaid leave long enough to cover their care taking needs. Please help our ohana who are struggling to care for their loved ones in their time of need.

Thank you for the opportunity to submit testimony in support of HB 32, HD1.

PHOCUSED is a membership and advocacy organization for health and human services in Hawaii, which works together with community stakeholders to collectively impact program and policy change for the most vulnerable in our state. Our commitment to the people is reflected in our name – Protecting Hawaii's 'Ohana, Children, Under-Served, Elderly, and Disabled. We are guided by the shared commitment of our members to protect the interests of Hawaii's people and the sector which seeks to provide them with quality programs and services.

**HB-32-HD-1**

Submitted on: 2/20/2019 1:25:12 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Younghi Overly	AAUW of Hawaii	Support	No

## Comments:

Dear Chair Luke, Vice-Chair Cullen, and Members of House Committee on Finance,

Thank you for the opportunity to support HB32 HD1, which would move the deadline to finish Paid Family Leave Study from 9/1/2019 to 11/13/2019 (the Act 109 of Session Laws of Hawaii 2018).

While we are disappointed that the deadline has to be extended, we hope it can be completed sooner than later to give the community more time to provide input afterwards. Paid Family Leave is vital to our working families. It is a necessary and affordable benefit that promotes worker retention, economic stability for working families, gender equity in the workplace, and positive infant health outcomes.

The American Association of University Women (AAUW) of Hawaii is a state-wide organization made up of six branches (Hilo, Honolulu, Kauai, Kona, Maui, and Windward Oahu) and includes just over 450 active members with over 1700 supporters statewide. As advocates for gender equity, AAUW of Hawaii promotes the economic, social, and physical well-being of all persons.



# HAWAII APPLESEED

## CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of Hawai'i Appleseed Center for Law and Economic Justice  
Supporting HB 32 HD1 – Relating to Family Leave  
House Committee on Finance  
Friday, February 22, 2019, 12:30 PM, conference room 308

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Dear Chair Luke, Vice Chair Cullen, and members of the Committee:

Thank you for the opportunity to provide testimony in **SUPPORT** of **HB 32 HD1**. This bill extends the deadline for the LRB to submit a sunrise analysis of a Hawai'i paid family leave program from 9/1/2019 to 11/13/2019.

It is important that the legislature be ready to have a robust and well-informed discussion of paid family leave during the 2020 session. The lack of access to paid leave has profound consequences for our working families. In Hawai'i, 7 in 10 children live in households where both parents work, and over a quarter of children live in households headed by a single parent, leaving no full-time caregiver at home.

Meanwhile, the population of Hawai'i is both older than that of the U.S. as a whole, and is aging faster. More and more families are facing the challenges of caring for their kūpuna, and their numbers will continue to grow.

Although some individual companies offer employees paid leave, this benefit is typically only available to high-income workers. Paid leave is generally unavailable to the low-wage workers who truly have the greatest need for it.

That is why it's crucial for Hawai'i to put into place a strong financial safety net for the hard-working families who desperately need support when faced with serious family caregiving responsibilities. Receiving the results of the sunrise analysis with enough lead time before the start of the 2020 session is an important first step towards that goal.

We appreciate your consideration of this testimony.

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*The Hawai'i Appleseed Center for Law and Economic Justice is committed to a more socially just Hawai'i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, advocacy, and coalition building.*



**MAUI**  
CHAMBER OF COMMERCE  
VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE  
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308  
FRIDAY, FEBRUARY 22, 2019 AT 12:30 P.M.**

To The Honorable Sylvia Luke, Chair;  
The Honorable Ty J.K. Cullen, Vice Chair; and  
Members of Committee on Finance,

**TESTIMONY IN SUPPORT OF HB 32 RELATING TO FAMILY LEAVE**

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce, with approximately 650 members. I am writing share our support of HB 32.

The Maui Chamber of Commerce supported Act 109 and the study on the impacts of family leave. We feel it is important that legislators understand the impacts before adding further burdens onto the business community and believe this study is greatly needed. Therefore, we request that this extension be granted to the Legislative Reference Bureau.

However, we have concerns on whether enough time has been allowed for the Legislative Reference Bureau to adequately accomplish the task, given the short 2 month extension. We are also concerned that they have expended time and resources on an incomplete RFP that didn't include all appropriate situations that has led to organizations going through the time and expense to submit a bid that now cannot be accepted.

We appreciate the opportunity to testify on this matter and therefore ask that this bill be passed.

Sincerely,

*Pamela Tumpap*

Pamela Tumpap  
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

February 21, 2019

To: Representative Sylvia Luke, Chair  
Representative Ty Cullen, Vice Chair  
House Committee on Finance

From: Laura Nevitt, Director of Public Policy  
Hawaii Children's Action Network

Re: **H.B. 32– Relating to Family Leave**  
**Hawaii State Capitol, Room 308 , February 22, 2019, 12:30 PM**

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**HCAN is committed to improving lives and being a strong voice advocating for Hawai'i's children. Last fall, HCAN convened input in person and online from more than 50 organizations and individuals that came forward to support or express interest for a number of issues affecting children and families in our state that resulted in the compilation of 2019 Hawai'i Children's Policy Agenda, which can be accessed at <http://www.hawaii-can.org/childrempolicyagenda>.**

Paid Family Leave is vital to our working families. It is a necessary and affordable benefit that promotes worker retention, economic stability for working families, gender equity in the workplace, and positive infant health outcomes.

Hawaii's workers need this benefit. In a 2017 public poll, 62% of Hawaii respondents reported that they had wanted to take leave in the past in order to care for a new child or family member. Currently, Hawaii employees do not have a right to paid family leave. The federal Family Medical Leave Act (which leaves out 40 percent of the state's workforce) provides for unpaid leave with up to 12 weeks for employers with 50 or more employees. The Hawaii Family Leave Law (HFLL) applies to employers with 100 or more employees and allows up to four weeks. This is also unpaid leave.

Hawaii has the fastest growing aging population in the nation. Our senior (age 65+) population is expected to grow 81 percent by 2030. Approximately 247,000 Hawaii workers serve as the primary caregivers for a family member.

This program if enacted, would help Hawaii's businesses. Family leave insurance helps increase worker retention and loyalty. Workers who have access to family leave benefits are more likely to return to work after their leave is over. In a 10-year study of the California family leave insurance, businesses reported family leave had either a positive or a neutral effect on their business. Small businesses were less likely to report any negative effects.

Providing paid time off for family caregiving strongly promotes gender equity. Women are often disproportionately impacted by the lack of paid leave, as they are the primary caregivers of infants, children and aging parents. The lack of paid family leave exacerbates the gender wage gap for women but affects the economic stability for both women and men who are caregivers.

Family leave insurance leads to increased financial stability and healthier babies. Mothers who receive paid leave after the birth of a child are 39% less likely to rely on public assistance and 40% less likely to rely on food stamps than women who do not take paid leave at all and return to work, a trend that is present in men as well. Additionally, babies whose parents are able to take leave from work are more likely to breastfeed and receive regular medical checkups and vaccinations.

We know this can work in Hawaii. Top experts in the area of family leave studied usage, cost, and feasibility of implementation of a family leave insurance program for Hawaii. These studies collectively found that family leave insurance is a necessary and cost-effective way for workers to take adequate time off of work to care for their families without facing financial ruin or jeopardizing their career.

The program outlined in this measure is affordable and designed to be revenue-neutral to the State. The Institute for Women's Policy Research, which houses some of the nation's top experts on family leave, conducted an actuarial analysis using a simulation model to study the use and cost of family leave insurance for Hawaii. The study found that the annual cost to cover sixteen weeks of leave for a worker making \$48,000 would be around \$58. That's only a little over one dollar per week.

It's a stark reality when employees face the dire choices of needing to be able to care for newborn children, or sick children, spouses or parents, but also needing to work to sustain their family's income. This bill provides a smart, affordable solution to enable workers to take a small number of weeks out of the workforce and not have to face the impossible choice between their family member's health and their income or jobs.

It is important that this study get done so that we can move forward on enacting legislation to help our working families in Hawaii.

**For these reasons, HCAN respectfully requests that the committee pass this bill.**

*HCAN is committed to building a unified voice advocating for Hawaii's children by improving their safety, health, and education.*

**HB-32-HD-1**

Submitted on: 2/21/2019 12:51:57 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:

**HB-32-HD-1**

Submitted on: 2/21/2019 8:39:57 AM

Testimony for FIN on 2/22/2019 12:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Dylan P. Armstrong	Individual	Support	No

Comments:

From: Karen Worthington <tlwaitowdbybzsg@ujoin.co>  
Sent: Thursday, February 21, 2019 1:46 PM  
To: FINtestimony  
Subject: Support HB32 today!

From: karen@karenworthington.com <Karen Worthington>

Message:

Chairwoman Luke, Vice-Chairman Cullen and members of the Finance Committee,

Paid Family Leave is vital to our working families. It is a necessary and affordable benefit that promotes worker retention, economic stability for working families, gender equity in the workplace, and positive infant health outcomes.

Hawaii's workers need this benefit. In a 2017 public poll, 62% of Hawaii respondents reported that they had wanted to take leave in the past in order to care for a new child or family member. Currently, Hawaii employees do not have a right to paid family leave. The federal Family Medical Leave Act (which leaves out 40 percent of the state's workforce) provides for unpaid leave with up to 12 weeks for employers with 50 or more employees. The Hawaii Family Leave Law (HFLL) applies to employers with 100 or more employees and allows up to four weeks. This is also unpaid leave.

Hawaii has the fastest growing aging population in the nation. Our senior (age 65+) population is expected to grow 81 percent by 2030. Approximately 247,000 Hawaii workers serve as the primary caregivers for a family member.

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Providing paid time off for family caregiving strongly promotes gender equity. Women are often disproportionately impacted by the lack of paid leave, as they are the primary caregivers of infants, children and aging parents. The lack of paid family leave exacerbates the gender wage gap for women but affects the economic stability for both women and men who are caregivers.

Family leave insurance leads to increased financial stability and healthier babies. Mothers who receive paid leave after the birth of a child are 39% less likely to rely on public assistance and 40% less likely to rely on food stamps than women who do not take paid leave at all and return to work, a trend that is present in men as well. Additionally, babies whose parents are able to take leave from work are more likely to breastfeed and receive regular medical checkups and vaccinations.

We know this can work in Hawaii. Top experts in the area of family leave studied usage, cost, and feasibility of implementation of a family leave insurance program for Hawaii. These studies collectively found that family leave insurance is a necessary and cost-effective way for workers to take adequate time off of work to care for their families without facing financial ruin or jeopardizing their career.

The program outlined in this measure is affordable and designed to be revenue-neutral to the State. The Institute for Women's Policy Research, which houses some of the nation's top experts on family leave, conducted an actuarial analysis using a simulation model to study the use and cost of family leave insurance for Hawaii. The study found that the annual cost to cover sixteen weeks of leave for a worker making \$48,000 would be around \$58. That's only a little over one dollar per week.

It's a stark reality when employees face the dire choices of needing to be able to care for newborn children, or sick children, spouses or parents, but also needing to work to sustain their family's income. This bill provides a smart, affordable solution to enable workers to take a small number of weeks out of the workforce and not have to face the impossible choice between their family member's health and their income or jobs.

It is important that this study get done so that we can move forward on enacting legislation to help our working families in Hawaii.

For these reasons, I respectfully requests that the committee pass this bill.

Karen Worthington

Kula

Hawaii



# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the House Committee on Finance  
Friday, February 22, 2019 at 12:30 P.M.  
Conference Room 308, State Capitol**

**LATE**

**RE: HB 32 HD1 RELATING TO PAID FAMILY LEAVE**

Chair Luke, Vice Chair Cullen, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **has concerns regarding HB32**, which extends the deadline for the Legislative Reference Bureau to submit the sunrise analysis required to Act 109, Session Laws of Hawaii 2018, from September 1, 2019 to November 13, 2019.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

On page two, lines 13 through 18, the bill addresses hiring a contractor with a known bias. Using State funds to contract any entity with a known stake in the outcome of the analysis would be cause for concern.

In addition, the delays made in the contracting of this study leave little to no time between when the work is started in late April, the study being completed in mid-November, and the beginning of the next legislative session, when bills to establish a paid family leave program will be proposed.

Thank you for the opportunity to testify.

Charlotte A. Carter-Yamauchi  
Director

Shawn K. Nakama  
First Assistant

Research (808) 587-0666  
Revisor (808) 587-0670  
Fax (808) 587-0681



LEGISLATIVE REFERENCE BUREAU  
State of Hawaii  
State Capitol, Room 446  
415 S. Beretania Street  
Honolulu, Hawaii 96813

Written Comments  
**HB32 HD1**  
**RELATING TO FAMILY LEAVE**

Charlotte A. Carter-Yamauchi, Director  
Legislative Reference Bureau

Presented to the House Committee on Finance

Friday, February 22, 2019, 12:30 p.m.  
Conference Room 308

Chair Luke and Members of the Committee:

Good afternoon Chair Luke and members of the Committee, my name is Charlotte Carter-Yamauchi and I am the Director of the Legislative Reference Bureau. Thank you for providing the opportunity to submit written comments in support of H.B. No. 32, H.D. 1, Relating to Family Leave.

The purpose of this measure is to extend the report submission deadline established under Act 109, Session Laws of Hawaii 2018, from September 1, 2019, to no later than November 13, 2019:

The Bureau submits the following comments for your consideration.

As you know, in 2018, the Legislature enacted Act 109, Session Laws of Hawaii 2018, (Act 109), which directed the Legislative Reference Bureau to conduct a sunrise analysis to determine the impacts of the establishment of a paid family leave program on industry, consumers, employees, employers, and care givers prior to choosing a model or framework that will work best for Hawaii's workforce. The intent of Act 109 was to lay the groundwork for the establishment of a paid family leave framework that will enable all employees to access leave benefits during times when they need to provide care for a family member. Act 109 also authorized the Legislative Reference Bureau to contract the services of a consultant without regard to chapter 103D, Hawaii Revised Statutes, and required the Bureau to submit a report on its findings and recommendations to the Legislature by September 1, 2019.

Upon the enactment of Act 109, the Legislative Reference Bureau proceeded to implement this legislative directive and subsequently crafted and issued a request for proposals to conduct the analysis. After the bid submission deadline occurred, the Bureau determined that, to ensure that any work product produced by the contractor include direct consultation with potentially affected state agencies and that the contracted work product be unbiased, it was in the best interest of the State to cancel the original request for proposals and to issue a new, amended request for proposals. The new request for proposals includes specific requirements that: the selected contractor directly consult with potentially affected state agencies; and if the contractor employs or subcontracts any portion of the analysis to a person or entity that has or is perceived to have a vested interest in the recommendations or outcome of the analysis, an explanation be provided on how any appearance of actual or perceived bias would be mitigated by the contractor.

Due to the cancelation of the original request for proposals and reissuance of an amended request for proposals, the Bureau believes it will be extremely difficult, given the remaining timeframe and the Bureau's heavy workload during session, for the Bureau to sufficiently evaluate and execute a contract for the analysis and provide a selected contractor with adequate time to conduct a thorough analysis by the September 1, 2019, submission deadline. Consequently, the Bureau finds that, in order to ensure that the Bureau and any selected contractor are provided with adequate time to produce a thorough and unbiased analysis as contemplated under Act 109, additional time is required for the Bureau to complete the task assigned to it under Act 109.

Thank you again for the opportunity to submit written comments, and we support the passage of this measure.



**LATE**

**TESTIMONY OF TINA YAMAKI  
PRESIDENT  
RETAIL MERCHANTS OF HAWAII  
February 22, 2019**

**Re: HB 32 HD 1 Relating to Family Leave**

Good afternoon Chairperson Luke and members of the House Committee on Finance. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii (RMH) as founded in 1901 and is a statewide, not for profit trade organization committed to the growth and development of the retail industry in Hawaii. The retail industry is one of the largest employers in the state, employing 25% of the labor force.

We are **STRONGLY IN SUPPORT** of HB 32 HD 1 Relating to Family Leave. This bill would extend the deadline for the LRB to conduct their study as pursuant to Act 109.

We appreciate that the Legislative Reference Bureau is focusing on a Hawaii based independent study of this issue. There are many complex components that surround the issue of Family leave that needs careful and in depth examination. We recognize that studies like these takes time and that this study should be done thoroughly and concisely.

Mahalo again for this opportunity to testify.

FIN-Jo

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From: Julie Jones <juliejones0@gmail.com>  
Sent: Thursday, February 21, 2019 9:29 PM  
To: FINtestimony  
Cc: info@livingwagehawaii.com  
Subject: Please Amend HB1191 to a Living Wage

**LATE**

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in its current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Sent from my iPhone

From: Natalia Perry <aeqdyuouswolfzh@ujoin.co>  
Sent: Friday, February 22, 2019 8:57 AM  
To: FINtestimony  
Subject: Support HB32 today!

From: nzeldner@yahoo.com <Natalia Perry>

Message:

Chairwoman Luke, Vice-Chairman Cullen and members of the Finance Committee,

Paid Family Leave is vital to our working families. It is a necessary and affordable benefit that promotes worker retention, economic stability for working families, gender equity in the workplace, and positive infant health outcomes.

Hawaii's workers need this benefit. In a 2017 public poll, 62% of Hawaii respondents reported that they had wanted to take leave in the past in order to care for a new child or family member. Currently, Hawaii employees do not have a right to paid family leave. The federal Family Medical Leave Act (which leaves out 40 percent of the state's workforce) provides for unpaid leave with up to 12 weeks for employers with 50 or more employees. The Hawaii Family Leave Law (HFLL) applies to employers with 100 or more employees and allows up to four weeks. This is also unpaid leave.

Hawaii has the fastest growing aging population in the nation. Our senior (age 65+) population is expected to grow 81 percent by 2030. Approximately 247,000 Hawaii workers serve as the primary caregivers for a family member.

This program if enacted, would help Hawaii's businesses. Family leave insurance helps increase worker retention and loyalty. Workers who have access to family leave benefits are more likely to return to work after their leave is over. In a 10-year study of the California family leave insurance, businesses reported family leave had either a positive or a neutral effect on their business. Small businesses were less likely to report any negative effects.

Providing paid time off for family caregiving strongly promotes gender equity. Women are often disproportionately impacted by the lack of paid leave, as they are the primary caregivers of infants, children and aging parents. The lack of paid family leave exacerbates the gender wage gap for women but affects the economic stability for both women and men who are caregivers.

Family leave insurance leads to increased financial stability and healthier babies. Mothers who receive paid leave after the birth of a child are 39% less likely to rely on public assistance and 40% less likely to rely on food stamps than women who do not take paid leave at all and return to work, a trend that is present in men as well. Additionally, babies whose parents are able to take leave from work are more likely to breastfeed and receive regular medical checkups and vaccinations.

We know this can work in Hawaii. Top experts in the area of family leave studied usage, cost, and feasibility of implementation of a family leave insurance program for Hawaii. These studies collectively found that family leave insurance is a necessary and cost-effective way for workers to take adequate time off of work to care for their families without facing financial ruin or jeopardizing their career.

The program outlined in this measure is affordable and designed to be revenue-neutral to the State. The Institute for Women's Policy Research, which houses some of the nation's top experts on family leave, conducted an actuarial analysis using a simulation model to study the use and cost of family leave insurance for Hawaii. The study found that the annual cost to cover sixteen weeks of leave for a worker making \$48,000 would be around \$58. That's only a little over one dollar per week.

It's a stark reality when employees face the dire choices of needing to be able to care for newborn children, or sick children, spouses or parents, but also needing to work to sustain their family's income. This bill provides a smart, affordable solution to enable workers to take a small number of weeks out of the workforce and not have to face the impossible choice between their family member's health and their income or jobs.

It is important that this study get done so that we can move forward on enacting legislation to help our working families in Hawaii.

For these reasons, I respectfully requests that the committee pass this bill.

Natalia Perry

Lawai

Hawaii

**HB-32-HD-1**

Submitted on: 2/21/2019 10:59:45 PM

Testimony for FIN on 2/22/2019 12:30:00 PM

**LATE**

Submitted By	Organization	Testifier Position	Present at Hearing
Ann S Freed	Hawaii Women's Coalition	Support	No

## Comments:



Aloha Chair Luke, Vice Chair Cullen and members,

As stated in previous testimony we are in strong support of this measure. Women have advocated for decades for this bill to enable us to care for family members without having to lose our jobs. We have waited long enough and feel this a matter of some urgency.

Please pass,

Mahalo, Ann S. Freed, Co-Chair Hawaii Women's Coalition

From: dana.katsutani@yahoo.com  
Sent: Friday, February 22, 2019 11:11 AM  
To: FINtestimony  
Cc: info@livingwagehawaii.com  
Subject: Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

We are excited that Representatives Cullen, Gates, Hashimoto, Holt, Kitagawa, Matayoshi, Nakamura, Todd and Wildberger are all members of the Finance Committee. This group of 9 out of the 15 committee members have already come out to publicly support moving the minimum wage up to a living wage, giving us the votes necessary to enact this necessary change. Please amend this bill to bring a minimum wage of \$17 or more to Hawaii.

Sent from my iPhone

From: Albert Ueligitone <storyboardal@gmail.com>  
Sent: Friday, February 22, 2019 12:13 PM  
To: FINtestimony  
Cc: info@livingwagehawaii.com  
Subject: Please Amend HB1191 to a Living Wage



Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in its current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Sent from my iPhone

FIN-Jo

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From: Tara Meggett <tarameggett@gmail.com>  
Sent: Friday, February 22, 2019 12:54 PM  
To: FINtestimony  
Cc: info@livingwagehawaii.com  
Subject: Please Amend HB1191 to a Living Wage

**LATE**

Aloha Chair Luke, Vice-Chair Cullen, and members of the Committee,

\$12.50 is not a sufficient wage for a full-time worker. If this bill passes in its current form, it will leave Hawaii's residents with only \$26,000 for an entire year of work in 2023 and beyond. At \$12.50 per hour, this will make a single adult worker put in 58 hours per week or more just to afford their basic needs.

All workers deserve to be able to make ends meet after just 40 hours of work, so please raise the minimum wage to a living wage, estimated today at \$17 per hour.

Mahalo nui,  
Tara Meggett  
(A 28 year old working a full time job and a part-time job who still lives paycheck to paycheck)